TESTIMONY OF Charles Herrick, MD Chief of Psychiatry Western CT Health Network Danbury Hospital-New Milford Hospital BEFORE THE APPROPRIATIONS COMMITTEE

Friday, February 22, 2013

HB 6350, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015, AND OTHER PROVISIONS RELATING TO REVENUE

Good afternoon. My name is Dr. Charles Herrick and I am the Chief of Psychiatry for Danbury Hospital and New Milford Hospital. I am here today to testify in opposition to HB 6350, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015, AND OTHER PROVISIONS RELATING TO REVENUE.

The budget proposed by Governor Malloy will devastate our ability to provide care that our patients need and deserve. The proposed cuts will affect our patients, our community, and our hospital.

Western CT Health Network, made up of Danbury and New Milford Hospitals, is a vital healthcare safety net in western CT. Recent events in our community have underscored the desperate need for an appropriate safety net services and Western CT Health network has been there for our patients every day, whenever they need us. When asked recently, what do you need to help your community through this terrible time? Our answer was sad, but simple. The things we need today are the same things we have been asking for over the past many years.

- We need appropriate reimbursements for the care we provide-not horrendous cuts instead.
- We need a reformed system of delivery-not one crippled by cuts so overwhelming, programs will close.
- We need a better standard of care with adequate in-patient facilities-especially in Region 5, where there are none since the closure of Fairfield Hills in Newtown.

We are dedicated to our mission of caring for everyone who walks through our doors, whether they can afford to pay for care or not. We cannot continue to absorb the deep cuts that the administration keeps leveling at hospitals without directly affecting access and care.

In December, in an effort to balance the state budget, the Governor turned to hospitals. He cut Western CT Health Network \$4.8 million. We are reeling from this cut, and as a result, we are looking at how to reorganize our services. We have some very tough decisions to make.

As an example, Western CT Health Network Department of Psychiatry currently receives State Grant Funding through DMHAS in the neighborhood of \$1.3 million dollars annually to serve state insured patients. Despite this Grant funded support, Danbury Hospital's outpatient and Crisis Intervention psychiatric services lose about \$1.5 million dollars annually at the Network expense. Lest anyone believe that this operating loss will be offset with increasing enrollments in insurance plans once health care reform goes into full effect, the Department of Psychiatry already sees an insured population of about 96%, which demonstrates exactly why insurance alone will not be enough to cover a program's costs. When the Governor halted further grant cuts to psychiatric services following the Sandy Hook tragedy, he did not take into consideration what a \$4.8 million dollar cut to Western CT Health Network would have on its Department of Psychiatry.

Now, the Governor is again turning to hospitals to make up the deficit. This time, he is planning to cut and additional \$30 million from our hospital over the next two years.

Unfortunately, we will have to look to close programs and services and we'll have to look first at those programs and services that already lose money. More often than not, these are the ones that help the needlest in our communities.

As a longtime member of the Behavioral Health Partnership in CT, I thought it was this Administration's goal to improve mental health and community wellness. Perhaps that was just a sound bite. As we move through the myriad major changes in healthcare we are also faced with huge federal cuts.

In a dynamic industry with a community in need, a rapidly changing and unpredictable landscape, we need to continue our focus on quality and patient safety. We are committed to our patients and our ongoing efforts to improve the care we provide in the fiscally responsible way possible. We need our dedicated staff to keep their focus on patients, and not be distracted by worry that they will lose their jobs.

We need stable hospitals.

Our patients are relying on you. Our communities need you to protect hospital funding. As you develop your budget, please protect patient care funding and Connecticut's hospitals.

Thank you for your consideration of our position.